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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/840,646	04/23/2001	Doug Carl Dohring	66486-00004	5043

7590 01/12/2005

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EXAMINER

CARLSON, JEFFREY D

ART UNIT PAPER NUMBER

3622

DATE MAILED: 01/12/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/840,646

Applicant(s)

DOHRING ET AL.

Examiner

Jeffrey D. Carlson

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 03 November 2004.
2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-95 is/are pending in the application.
4a) Of the above claim(s) 91-95 is/are withdrawn from consideration.
5) ☐ Claim(s) _____ is/are allowed.
6) ☒ Claim(s) 1-90 is/are rejected.
7) ☐ Claim(s) _____ is/are objected to.
8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____
4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other: _____

DETAILED ACTION

This action is responsive to the paper(s) filed 9/21/04.

Election/Restrictions

Applicant's election without traverse of group I (claims 1-90) in the reply filed on 11/3/04 is acknowledged. Claims 91-95 are withdrawn from further consideration pursuant to 37 CFR 1.142(b) as being drawn to a nonelected invention, there being no allowable generic or linking claim. Election was made **without** traverse in the reply filed on 11/3/04.

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 10, 40, 66 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claims 10, 40, 66, there is no antecedent basis for the text or audio output.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-82 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter as follows:

Claims 1-82 are not provided "within the technological arts." The claims should set forth non-trivial technological structure or method steps *in the body of the claims*.

- 5 Examiner suggests clearly claiming in the body of the claims that a computer system provides the user identification, character selection, message selection and message/ad integration in order to set forth the required technology. Simply delivering the character/message/ad over a network, to a computer or by a computer is taken to provide mere trivial recitation of technology; the identification, selection, integration must
- 10 include technology. See below for further explanation.

- As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C.
- 15 §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts"
- 20 has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of

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whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, *State Street* never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within

the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

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Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

10 (e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

15 **Claims 1-6, 9-11, 14-25, 28, 31, 83-90 are rejected under 35 U.S.C. 102(e) as being anticipated by Gever et al (US6313835).**

Regarding claims 1, 2, 4, 5, 10, 14, 16-18, 28, Gever et al teaches a system for presenting targeted presentations to viewers of a web page. The presentations may be for advertising [8:9] and may be presented with customizable elements of animations, text, audio, colors, pictures, links [8:25-29, 9:12-20, 33-40, 57-58]. A user may define a plurality of presentations at the server and may associate conditions which allow the presentations to be targeted and selected based on the web page viewer [9:64-67, 13:63-67, 14:11-40, 64-67]. Gever et al specifies that the character can be chosen based on the gender of the identified user. The advertising presentations are taken to include a message integrated with an advertisement. One line of introduction text can

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be taken to be a message while the line that names the product can be taken to be the ad. Or the narrative text can be the message while the text-based URL link can be the ad. Other reasonable interpretations exist regarding what is needed to meet the broad “message” and broad “advertisement”. Any content presented can be taken to be a

5 message or ad “delivered” by the character, as long as there is some association with the character and the content – such as being on the screen at the same time or being presented subsequently to each other. The viewer will interpret the character as being affiliated with and hence, presenting/delivering the content/ad/message. The entire presentation can be taken to provide a message as well as an advertisement. Further

10 the specific content of the message and the advertisement is taken to be merely non-functional descriptive material and any differences are not functionally involved in the method (or structurally programmed) steps recited. The steps would be performed the same regardless of data content. There is no patentable distinction between message and advertising content. Thus, this descriptive material will not distinguish the claimed

15 invention from the prior art in terms of Patentability, see *In re Gulack*, 703 F.2d 1381, 217 USPQ 401, 404 (Fed. Cir. 1983); *In re Lowry*, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994).

Regarding claim 3, the image of the character can be taken to be providing a background image for presenting the character. The colors (52) and the pictures (50)

20 can also taken to provide a background image.

Regarding claim 6, Gever et al teaches that the ad presentation can be based upon the viewer’s previous visits to that page [14:25-31]. This is taken top provide

selection based upon the viewers history with that page and therefore with conversations previously presented to/with the user.

Regarding claim 9, the product name/description text and the url can be taken to be two ads integrated with the other message content.

5 Regarding claim 11, the plane shown (fig 3) is not a character. Hence, the audio presented is taken to represent the audio of the speaking character who is not depicted.

Regarding claim 15, the client PC equipped with a web browser is taken to inherently represent a "gaming device" as the web browser provides the mere functionality capable of playing web-based games.

10 Regarding claim 19, Gever et al teaches providing the text in a text bubble [fig 3].

Regarding claims 21-24, the advertising-based presentation can be taken to be a conversation in itself. However, Gever et al incorporates by reference the earlier disclosed WO 97/35280 document [9:15-20]. This teaches animations which may be used as advertisements [WO 32:29-31] and which may be represented by multiple
15 characters talking to each other or the viewer as conversations [WO: 10:24-27, 27:24-31, 28:3-5]. User interaction with the character's conversation is disclosed [WO: 7:25-27, 33:24-26].

Regarding claim 20, the audio provided by Gever et al is taken to provide a message integrated with the advertising. Further, Gever et al teaches in WO that the
20 character can speak or sing the user's entered messages [WO: 36:11-13]

Regarding claim 25, the matching of the ad presentation to the identified user is taken to provide a matching requirement.

Regarding claim 31, the matching and selection of the ads is taken to be accomplished dynamically.

Regarding claims 83, 84, 88, Gever et al teaches targeting the presentations based on stored profiles of the visitor which specify demographics as well as # of visits to the page. This information is taken to inherently be stored in a database for retrieval when needed by the system. The storage of the # of visits to the pages having ad presentations is taken to provide a conversation history database for identifying the types of messages/ads to be delivered to the user.

Regarding claims 85, 86, the user who specifies the parameters is taken to be the advertiser. The advertiser stores the character to be associated with the ads, the text, the audio, the colors, etc., as well as the matching conditions (criteria for display). This information is taken to inherently be stored in a database for retrieval when needed by the system.

Regarding claim 87, Gever et al teaches (in the WO document) that the animated characters are built using smart objects which define their rules/attributes [WO: 4:5-10, 5:13-15, 29-36, 6:6-10]. This information is taken to inherently be stored in a database for retrieval when needed by the system.

Regarding claims 89, 90, Gever et al teaches the presentations to be requested and viewed by way of Internet web browsers. The server is taken to receive the requests, forward the requests to a component which integrates presentation and delivers the content to the users browser.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 9 (alternatively), 12, 13, 29, 30, 39, 42, 43, 58, 59 are rejected under 35 U.S.C. 103(a) as being unpatentable over Gever et al.

Regarding claims 9 (alternatively), 29, 30, 58, 59, the WO document discloses the idea of a conversation between various characters who can interact automatically with each other. When there is no interaction to process, the characters may go into an idle state until interaction is sensed [WO:5:18-23]. The characters also have abilities to adapt and learn from their history [WO: 5:37+]. These features suggest that it would have been obvious to have a running conversation, ongoing interactions and learning over time and it would have been obvious to one of ordinary skill at the time of the invention to have triggered plural dynamically-provided advertising throughout the life of the character presentations, conversations or "interviews." Official Notice is taken that it is further well known to provide periodic advertising throughout radio or TV conversations/interviews and it would have been obvious to one of ordinary skill at the time of the invention to have provided ads during the same opportunities provided by Gever et al in order to generate revenue.

Regarding claims 12, 13, Official Notice is taken that it is well known to provide web browsing features with wireless telephones. It would have been obvious to one of ordinary skill at the time of the invention to have browsed the ad/message/animation enhanced web pages of Gever et al with such a device for convenience.

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Claim 7 is rejected under 35 U.S.C. 103(a) as being unpatentable over Gever et al in view of Rakavy et al (US6317789). Gever et al does not appear to teach random ad selection. Rakavy et al teaches targeted advertising where a random element is used so that high priority ads are selected most often, yet lower priority ads may be selected sometimes [10:5-13]. It would have been obvious to one of ordinary skill at the time of the invention to have provided such a feature in order to offer a variety of fresh advertising content.

Claim 8 is rejected under 35 U.S.C. 103(a) as being unpatentable over Gever et al in view of Makar et al (US6708203). Gever et al does not appear to teach ads based on the user's language. Makar et al teaches targeted advertising where a the user language is used for ad selection [22:7-13]. It would have been obvious to one of ordinary skill at the time of the invention to have provided such a feature in order to offer better targeted ad content.

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Claims 26, 27, are rejected under 35 U.S.C. 103(a) as being unpatentable over Gever et al in view of Alberts (US5937392). Gever et al does not appear to

teach particular frequency criteria. Alberts teaches that it is well known to select advertising where ads are forced to meet a schedule. As an example, 4 ads are rotated evenly so that each ad is shown evenly in order [1:22-31]. It would have been obvious to one of ordinary skill at the time of the invention to have provided such a feature with Gever et al. Alternatively, a plurality of ads that matched Gever et al's conditions could be evenly selected with the features of Alberts. Such would provide the ads during a percentage of sessions as well as at a particular frequency (25% of the time).

Claims 32-57 are rejected on the same basis as claims 2-27, respectively.

Claims 60-82 are rejected on the same basis as claims 2-6, 8, 10-17, 22-24, 20, 18, 19, 25-27, respectively.

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

- Reilly et al (US5740549) teaches animated characters which present content on web pages [10:1-37].

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jeffrey D. Carlson whose telephone number is 703-308-

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3402. The examiner can normally be reached on Mon-Fri 8:30-6p, (off on alternate Fridays).

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber can be reached on 703-305-8469. The fax phone number for

5 the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For
10 more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Jeffrey D. Carlson
Primary Examiner
Art Unit 3622

15 jdc